

**STATE OF HAWAII**  
**REQUEST FOR EXEMPTION FROM CHAPTER 103F, HRS**

4 JUL -1 P4:39

TO: The Honorable Aaron Fujioka, Chief Procurement Officer

FROM: Chiyome L. Fukino, M.D.

Director of Health

(Department/Division/Agency)

ADMINISTRATION  
STATE PROCUREMENT OFFICE  
ADMINISTRATION  
STATE PROCUREMENT OFFICE  
STATE OF HAWAII

Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a procurement exemption to purchase the following:

**Description of health and human services:**

Pursuant to § 321-171, Hawaii Revised Statutes (HRS), the Department of Health (DOH) is responsible to "provide preventive, diagnostic, treatment and rehabilitative services for emotionally disturbed and mentally ill children and youth." The DOH's Child and Adolescent mental Health Division (CAMHD) is responsible for providing mental health services to youth. Therefore, the provision of services covered under this exemption request is to ensure the State provides appropriate services and complies with the Individual with Disabilities in Education Act (IDEA) (20 U.S.C. §1401) and Section 504 of the Rehabilitation Act.

This request for exemption from Chapter 103F, HRS, is for the placement of youth requiring treatment and rehabilitation services in out-of-state psychiatric facilities and other services that may include ancillary services, limited medical care and services to facilitate the transition of the youth from an inpatient milieu. The decision to place a youth in an out-of-state facility is only after all efforts to meet the youth's treatment need in Hawaii have been exhausted; or the youth's treatment needs require a specialized treatment that is not locally available, and the determination for placement is reflected in the youth's Individualized Education Program (IEP) or court order.

On October 21, 2003, P.E.H. 04-10 was approved allowing the CAMHD to place youth requiring treatment and rehabilitation services in out-of-state psychiatric facilities. Although the population served has not changed, the CAMHD requests to continue to provide indicated mental health services in out-of-state facilities.

The CAMHD had originally requested a cost of approximately \$760,000.00 per fiscal year, with the expectation that the number of youths would decrease. Based on current utilization, the number of youth currently in mainland facilities has remained stable; therefore, we are requesting \$261,000.00 for the next fiscal year.

**Name of Service Provider**

To Be Determined

**Cost:**

Unit Rate  
\$261,000.00  
(Approximate)

**Term of Contract:**

From: July 1, 2004  
To: June 30, 2005

**Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:**

The determination to utilize an out-of-state facility is due to court order or individualized educational plan (IEP) team decision that is based on the educational and related services needs of an individual youth. Such needs vary in terms of the specific services required and therapeutic outcomes expected. The ability to anticipate, develop, and adequately meet all necessary procurement requirements for each youth in need of services in a timely manner is not practicable. Any delay of a service that is determined to be clinically necessary would not be in the best interest of the youth or the State. The need to place youth in out-of-state facilities occurs only after all local options have been considered. The CAMHD service delivery system is responsive to the behavioral health treatment needs of most youth; however, there are a few youth who have complex clinical needs that require treatment in out of state facilities. If these youth do not receive this treatment, the State is in violation of court order or federal law, Individuals with Disabilities Education Act.

Based on the aforementioned, it would not be practical to engage in a competitive procurement as the unit rate(s) for out-of-state facilities, in general, are competitive with or less than rates established by the CAMHD for community-and/or hospital-based residential programs.

**Details of the process or procedure to be followed in selecting the service provider to ensure maximum fair and open competition as practicable:**

All decisions are made through a multidisciplinary treatment team and the Individualized Educational Program process, and/or court ordered after all locally programs have been considered and deemed inappropriate. Provider selection is driven by the clinical needs of the youth.

**A description of the state agency's internal controls and approval requirements for the exempted procurement:**

In general, youth who are placed in out-of-state facilities usually are involved with multiple state departments (i.e. JUD, DHS, DOE and DOH), and the placement decision court ordered or is team based and must be in the youth's IEP. Therefore, placement decisions are made by a group of professionals knowledgeable about the youth, the meaning of the evaluation or clinical data, and the placement options. Prior to placement, the receiving state must agree in writing to accept the youth through the Interstate Compact Agreement.

**A list of state agency personnel, by position title, who will be involved in the approval process and administration of the contract:**

Chiyoume L. Fukino, M.D., Director of Health  
Michelle Hill, Deputy Director for Behavioral Health  
Christina M. Donkervoet, Chief, Child and Adolescent Mental Health Division  
Alfred Arensdorf, CAMHD Medical Director  
Mary Brogan, Performance Manager  
T. Orvin Fillman, Dr.P.H. Public Health Administrative Officer  
Nona Meyers, Contracts Specialist

**Direct questions to:**

T. Orvin Fillman, Dr. P.H. Public Health Administrative Officer  
Nona Meyers, Contract Specialist

**Phone Number:**

733-8370  
733-8376

This exemption should be considered for list of exemptions attached to Chapter 3-141, HAR:

Yes ☐

No ☐

I certify that the information provided above is to the best of my knowledge, true and correct.

James K. Kadachis  
Department/Agency Head

6.30.04  
Date

Chief Procurement Officer's Comments:

SEE ATTACHED

Please ensure adherence to applicable administrative requirements.

☒ Approved

☐ Denied

Adam S. Fisher  
Chief Procurement Officer

7/1/04  
Date

cc: Administrator  
State Procurement Office

**SEE ATTACHED CHIEF PROCUREMENT OFFICER'S COMMENTS**

Chief Procurement Officer's Comments  
For Request for Exemption from Chapter 103F, HRS  
PEH No. 05-01

The services required were anticipated well in advance. Requests for exemption must be filed in a timely manner. The request was received at the State Procurement Office on the same date as the requested effective date for the exemption. Retroactive requests will not be approved except in extenuating circumstances.